

**Oregon AN No. 1231(1980)**



United States  
Department of  
Agriculture

Rural  
Housing  
Service

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August 16, 2002

**SUBJECT:** Guaranteed Rural Housing (GRH) Program  
Documentation of Household Income

**TO:** Rural Development Managers  
Rural Development  
Oregon

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to provide a uniform documentation source to record program eligible income for the GRH Program. The use of this format is optional to lenders and is provided as a documentation source only.

**COMPARISON WITH PREVIOUS AN:**

This AN replaces Oregon AN No. 1200(1980-D) which expired 3/31/2002.

**IMPLEMENTATION RESPONSIBILITIES:**

Adjusted income is the basis for determining eligibility for a loan guarantee. Annual income is the base for computing the adjusted income. Annual income is comprised of all sources of household income, regardless if the household member is a party to the note.

The attached "Household Income Computation Worksheet" can be used to record the source of income, the amount utilized to determine annual income, the deductions considered and through calculation - the adjusted household income. The calculation of adjusted income is an important element in determining eligibility for the GRH loan product.

Lenders are to provide a detailed calculation of the adjusted total household income with each request for conditional commitment. Area offices are to confirm a detailed calculation confirming program eligible income, prepared by the lender, is present with all loan guarantee requests.

**EXPIRATION DATE:**  
August 30, 2003

**FILING INSTRUCTIONS:**  
Proceeding RD Instruction 1980-D

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Complaints of discrimination should be sent to:  
USDA, Director, Office of Civil Rights, Washington, DC 20250-9410

By utilizing the attachment, or documentation similar to, lenders can satisfy requirements in regards to documentation of program eligible income set forth in RD Instruction 1980-D.

If you have any questions regarding this Administrative Notice (AN), please feel free to contact Single Family Housing at (503) 414-3335.



LYNN SCHOESSLER  
State Director

Attachment

# HOUSEHOLD INCOME COMPUTATION WORKSHEET

## Guaranteed Rural Housing Program Rural Development - Rural Housing Service

Income is the total of the annualized gross income of all household members, regardless if a party to the note, from any source before taxes/withholding of all non-minor persons who will reside in the residence. Refer to RD Inst. 1980.351.

Borrower (B): \_\_\_\_\_

Co-Borrower (CB): \_\_\_\_\_

### PROJECTED/ANTICIPATED GROSS INCOME FOR 12 MONTHS:

#### GROSS ANNUAL INCOME (BEFORE PAYROLL DEDUCTIONS):

		ANNUALIZED	(X) B	(X) CB
1. Wages, Salaries, OT, Bonus Commissions, Tips, PT Wage	\$_____/hr. ____hrs/wk ____wks/yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
	\$_____/hr. ____hrs/wk ____wks/yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
2. Net Income From Business/Profession	\$_____/hr. ____hrs/wk ____wks/yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
3. Interest & Dividend	\$_____/hr. ____hrs/wk ____wks/yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
4. Full Amount Retirement, Pension	\$_____/mo. ____mos./yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
5. Unemployment & Disability	\$_____/hr. ____hrs/wk ____wks/yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
6. Alimony & Child Support	\$_____/mo. ____mos./yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>

TOTAL ANNUAL GROSS INCOME (Add 1 through 6): \_\_\_\_\_

\$ \_\_\_\_\_

ALLOWABLE DEDUCTIONS THAT APPLY TO THE HOUSEHOLD ARE SUBTRACTED FROM ANNUAL INCOME TO DETERMINE ADJUSTED INCOME:

#### DEDUCTIONS:

		ANNUALIZED	(X) B	(X) CB
Number of Children (except parties to note) under 18:	#_____ x \$480 =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
Disabled/Handicapped Adult (other than B or CB):	#_____ x \$480 =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
3. Full Time Adult Student (over 18) - other than applicant(s):	#_____ x \$480 =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
4. Childcare Deduction (reasonable expenses for care of children under 12)	\$_____/mo. ____mos./yr. =	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
5. Elderly Household Deduction (B or CB is 62 or older or an individual with a handicap)	(1) Eligible Deduction if applicable = \$400	\$_____	<input type="checkbox"/>	<input type="checkbox"/>
Medical Expenses - applicable only to Elderly Households (in excess of insurance reimbursement and greater than 3% of gross income):				
♦ Insurance Premiums	\$_____ (annualized)		<input type="checkbox"/>	<input type="checkbox"/>
♦ Expenses NOT covered by insurance (bills/receipts)	\$_____ + _____ (annualized)		<input type="checkbox"/>	<input type="checkbox"/>
TOTAL MEDICAL EXPENSES:	\$_____ (Insurance Premiums + Expenses)			
3% of Annual Gross Income(gross x 3%)	\$_____ - _____			

6. Deductible Medical Expenses (Net of total expense less 3% of gross annual income) \_\_\_\_\_

\$ \_\_\_\_\_

TOTAL DEDUCTIONS (Add 1 through 6): \_\_\_\_\_

\$ \_\_\_\_\_  
- \_\_\_\_\_

PROGRAM ELIGIBLE INCOME = (ANNUAL GROSS INCOME LESS  
DEDUCTIONS): \_\_\_\_\_

\$ \_\_\_\_\_

MINIMUM PROGRAM ELIGIBLE INCOME BY # IN HOUSEHOLD (#\_\_\_\_\_) AND  
COUNTY (county: \_\_\_\_\_) See Income Limits: \_\_\_\_\_

\$ \_\_\_\_\_

BORROWER/CO-BORROWER IS/ARE INCOME ELIGIBLE FOR GRH PROGRAM:

LENDER CERTIFICATION:

\_\_\_\_\_  
Lender's Signature

\_\_\_\_\_  
Date